

SERFF Tracking Number: ARBB-127361175 State: Arkansas  
 Filing Company: Arkansas Blue Cross and Blue Shield State Tracking Number: 49510  
 Company Tracking Number: 71-MPA  
 TOI: MS051 Individual Medicare Supplement - Sub-TOI: MS051.015 Multi-Plan  
 Standard Plans  
 Product Name: MediPak Rate Increase  
 Project Name/Number: MediPak Rate Increase/71-MPA

## Filing at a Glance

Company: Arkansas Blue Cross and Blue Shield

Product Name: MediPak Rate Increase SERFF Tr Num: ARBB-127361175 State: Arkansas  
 TOI: MS051 Individual Medicare Supplement - Standard Plans SERFF Status: Closed-Approved- Closed State Tr Num: 49510  
 Sub-TOI: MS051.015 Multi-Plan Co Tr Num: 71-MPA State Status: Approved-Closed  
 Filing Type: Rate Reviewer(s): Stephanie Fowler  
 Disposition Date: 10/14/2011  
 Authors: Christi Kittler, Yvonne McNaughton, Frank Sewall, Rita Thatcher, Evelyn Laney  
 Date Submitted: 08/09/2011 Disposition Status: Approved-Closed  
 Implementation Date Requested: 01/01/2012 Implementation Date: 01/01/2012  
 State Filing Description:

## General Information

Project Name: MediPak Rate Increase Status of Filing in Domicile: Pending  
 Project Number: 71-MPA Date Approved in Domicile:  
 Requested Filing Mode: Review & Approval Domicile Status Comments: Arkansas is our state of domicile.  
 Explanation for Combination/Other: Market Type: Individual  
 Submission Type: New Submission Individual Market Type:  
 Overall Rate Impact: 7.9% Filing Status Changed: 10/14/2011  
 State Status Changed: 10/14/2011  
 Deemer Date: Created By: Christi Kittler  
 Submitted By: Christi Kittler Corresponding Filing Tracking Number: 71-MPA

### Filing Description:

In compliance with regulatory guidelines, we are submitting our 2012 rate filing for our Medicare Supplement policy forms for the Department's review and approval. This rate filing is to be effective 1/1/2012. Attached is our Actuarial Memorandums which demonstrate that the proposed rates meet or exceed the minimum loss ratio standards required by the State of Arkansas. We are not applying for a 2012 rate increase on Modernized Plan N. We therefore request that the rates for the plan (form 73-MPN) be extended through 2012. All other policy forms are attached.

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## Company and Contact

### Filing Contact Information

Christi Kittler, Compliance Supervisor cmkittler@arkbluecross.com  
 320 West Capitol, Ste 211 501-378-2967 [Phone]  
 Little Rock, AR 72201 501-378-2975 [FAX]

### Filing Company Information

Arkansas Blue Cross and Blue Shield CoCode: 83470 State of Domicile: Arkansas  
 601 S. Gaines Street Group Code: Company Type:  
 Little Rock, AR 72201 Group Name: State ID Number: N/A  
 (501) 378-2967 ext. [Phone] FEIN Number: 71-0226428

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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$1,000.00  
 Retaliatory? No  
 Fee Explanation: \$50.00/form x 20 forms.  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Arkansas Blue Cross and Blue Shield	\$1,000.00	08/09/2011	50486026

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Stephanie Fowler	10/14/2011	10/14/2011
Disapproved	Stephanie Fowler	10/03/2011	10/03/2011

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Stephanie Fowler	09/02/2011	09/02/2011	Christi Kittler	09/07/2011	09/07/2011

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Rate	RATE FILING	Christi Kittler	10/14/2011	10/14/2011

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Clarification	Note To Filer	Stephanie Fowler	10/07/2011	10/07/2011

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## Disposition

Disposition Date: 10/14/2011

Implementation Date: 01/01/2012

Status: Approved-Closed

Comment: The following negotiated rate increases have been approved to be implemented on or after January 1, 2012:

Standardized ABCG - 5%

Standardized DFIJ - 3%

Modernized AGN - 0%

Modernized F - 5%

Pre-Standardized Plans - 5%

This approval is subject to the following:

- Increases will not be given more frequently than once in a twelve-month period;
- The insured shall be notified by the insurer of its intention to increase the rate for renewal not less than thirty (30) days prior to the effective date of the renewal.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
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<i>SERFF Tracking Number:</i>	<i>ARBB-127361175</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Arkansas Blue Cross and Blue Shield</i>	<i>State Tracking Number:</i>	<i>49510</i>
<i>Company Tracking Number:</i>	<i>71-MPA</i>		
<i>TOI:</i>	<i>MS051 Individual Medicare Supplement - Standard Plans</i>	<i>Sub-TOI:</i>	<i>MS051.015 Multi-Plan</i>
<i>Product Name:</i>	<i>MediPak Rate Increase</i>		
<i>Project Name/Number:</i>	<i>MediPak Rate Increase/71-MPA</i>		
<b>Arkansas Blue Cross and Blue Shield</b>	<b>7.900%</b>	<b>7.900%</b>	<b>\$16,972,000 102,969 \$107,415,000 7.900% 7.900%</b>



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## Disposition

Disposition Date: 10/03/2011

Implementation Date:

Status: Disapproved

Comment: Due to excessive prior rate increases on these blocks of business, this request is denied. However, we would be willing to approve an increase if you will resubmit this request allowing for the following increase percentages: Standardized Plans ABCG – 5%, DFJ – 3%; Modernized Plans AG – 0%, F – 5%; and Pre-Standardized Plan D – 5%.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Arkansas Blue Cross and Blue Shield	7.900%	7.900%	\$16,972,000	102,969	\$107,415,000	7.900%	7.900%



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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 09/02/2011  
Submitted Date 09/02/2011  
Respond By Date 09/09/2011

Dear Christi Kittler,

This will acknowledge receipt of the captioned filing. Please see our letter attached.

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Stephanie Fowler

# Arkansas Insurance Department

Mike Beebe  
Governor



Jay Bradford  
Commissioner

Ms. Christi Kittler  
Compliance Supervisor  
Arkansas BlueCross BlueShield  
320 West Capitol, Suite 211  
Little Rock, AR 72201

RE: Medicare Supplement Rate Filing  
Your submission of August 9, 2011

Dear Christi:

Thank you for the rate increase filing which we received in our office on August 9, 2011.

Pursuant to the provisions of Ark. Code Ann. 23-79-109(b), the period for review of this filing is being automatically extended an additional thirty (30) days until October 9, 2011.

We request that you sign and return this form letter in order to waive all rights to deemer on this filing.

Sincerely,

*Stephanie Fowler*

Stephanie Fowler  
Compliance Officer  
Life and Health Division

SRF

I, \_\_\_\_\_, representing \_\_\_\_\_, do hereby acknowledge receipt of this letter and waive all rights to deemer on this filing.

\_\_\_\_\_,  
Dated \_\_\_\_\_, Signature and Title

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## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 09/07/2011  
Submitted Date 09/07/2011

Dear Stephanie Fowler,

### Comments:

### Response 1

Comments: Please see attached.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: Deemer

Comment: Please see attached.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Please let me know if you need anything else.

Sincerely,

Christi Kittler, Evelyn Laney, Frank Sewall, Rita Thatcher, Yvonne McNaughton

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**Amendment Letter**

Submitted Date: 10/14/2011

**Comments:**

Please see attached.

**Changed Items:**

**Rate/Rule Schedule Item Changes:**

Document Name:	Affected Form Numbers: (Comma Separated list)	Rate Action:	Rate Action Information:	Attach Document:
RATE FILING	71-MPA, 72-MPA, 71-MPB, 72-MPB, 71-MPC, 72-MPC, 71-MPD, 72-MPD, 71-MPF, 71-MPG, 71-MPI, 71-MPINRX, 72-MPJ, 73-MPA, 73-MPF, 73-MPG, A71-MS, A71-MP, A71-MO, EEPMA5-860, EEPMA5-870, EEMPA5-891	New		Letter for Final Rates - 2012.pdf
Letter for Final Rates - 2012.pdf				

*SERFF Tracking Number:* ARBB-127361175      *State:* Arkansas  
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**Note To Filer**

**Created By:**

Stephanie Fowler on 10/07/2011 10:31 AM

**Last Edited By:**

Stephanie Fowler

**Submitted On:**

10/14/2011 12:53 PM

**Subject:**

Clarification

**Comments:**

Just to clarify, the offer of 5% on the "Pre-Standardized Plan D" should have been for the "Pre-Standardized Plans".

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**Rate Information**

Rate data applies to filing.

**Filing Method:** Review and Approval  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** 5.700%  
**Effective Date of Last Rate Revision:** 01/01/2011  
**Filing Method of Last Filing:** Review and Approval

**Company Rate Information**

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Arkansas Blue Cross and Blue Shield	7.900%	7.900%	\$16,972,000	102,969	\$107,415,000	7.900%	7.900%

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## Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Approved-Closed 10/14/2011	RATE FILING	71-MPA, 72-MPA, 71-MPB, 72-MPB, 71-MPC, 72-MPC, 71-MPD, 72-MPD, 71-MPF, 71-MPG, 71-MPI, 71-MPINRX, 72-MPJ, 73-MPA, 73-MPF, 73-MPG, A71-MS, A71-MP, A71-MO, EEPMA5-860, EEPMA5-870, EEMPA5-891	New		Letter for Final Rates - 2012.pdf



**Arkansas  
BlueCross BlueShield**

601 S. Gaines St.  
P.O. Box 2181  
Little Rock, Arkansas 72205-2181

10/13/2011

The Honorable Commissioner  
Mr. Jay Bradford  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904

Dear Commissioner Bradford:

As required by your office, Arkansas Blue Cross Blue Shield will implement the following rate increases on the policy forms effective January 01, 2012: Standardized Plans ABCG – 5%, DFJ – 3%; Modernized Plans AGN – 0%, F – 5%; and Pre-Standardized Plans – 5%.

The rates by policy form are attached in Exhibit 1.

If you have any questions, please feel free to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Zhenhua Sun".

Zhenhua Sun, ASA, MAAA  
Actuary  
Arkansas Blue Cross Blue Shield  
zxsun@arkbluecross.com  
(501)378-2952

## Exhibit 1

Standardized Plans	Policy Form	SW/Area	2012 Rates
Plan A	71-MPA	SW	\$125.20
Plan A	72-MPA	A1	\$98.80
Plan A	72-MPA	A2	\$111.70
Plan A	72-MPA	A3	\$136.10
Plan B	71-MPB	SW	\$164.70
Plan B	72-MPB	A1	\$127.40
Plan B	72-MPB	A2	\$143.70
Plan B	72-MPB	A3	\$175.40
Plan C	71-MPC	SW	\$192.50
Plan C	72-MPC	A1	\$145.20
Plan C	72-MPC	A2	\$164.40
Plan C	72-MPC	A3	\$200.20
Plan D	71-MPD	SW	\$198.70
Plan D	72-MPD	A1	\$139.70
Plan D	72-MPD	A2	\$158.00
Plan D	72-MPD	A3	\$192.60
Plan F	71-MPF	SW	\$189.20
Plan G	71-MPG	SW	\$139.10
Plan I	71-MPI	SW	\$298.70
Plan INRX	71-MPINRX	SW	\$255.20
Plan J	72-MPJ	A1	\$137.40
Plan J	72-MPJ	A2	\$155.40
Plan J	72-MPJ	A3	\$189.30
<b>Modernized Plans</b>			
Plan A	73-MPA	A1	\$91.50
Plan A	73-MPA	A2	\$105.10
Plan A	73-MPA	A3	\$128.20
Plan F	73-MPF	A1	\$128.90
Plan F	73-MPF	A2	\$145.10
Plan F	73-MPF	A3	\$177.00
Plan G	73-MPG	A1	\$111.30
Plan G	73-MPG	A2	\$125.00
Plan G	73-MPG	A3	\$152.50
Plan N	73-MPN	A1	\$92.00
Plan N	73-MPN	A2	\$102.80
Plan N	73-MPN	A3	\$125.40
<b>Pre-Standard Plans</b>			
Plus	A71-MP		\$259.60
Standard	A71-MS		\$256.70
Low Option	A71-MO		\$117.50
Base	EEPMA5-860		\$162.20
Base + End. #1	EEPMA5-860		\$211.80
Base + End. #1 & #2	EEPMA5-860		\$185.50
Base + End. #2	EEPMA5-860		\$135.80
Base	EEPMA5-870 and -891		\$195.00
Base + End. #1	EEPMA5-870 and -891		\$254.10
Base + End. #1 & #2	EEPMA5-870 and -891		\$230.30
Base + End. #2	EEPMA5-870 and -891		\$170.90



# Arkansas Insurance Department

Mike Beebe  
Governor



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Your submission of August 9, 2011

Dear Christi:

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We request that you sign and return this form letter in order to waive all rights to deemer on this filing.

Sincerely,

*Stephanie Fowler*  
Stephanie Fowler  
Compliance Officer  
Life and Health Division

SRF

I, Frank B. Sewall, representing Arkansas Blue Cross and Blue Shield, do hereby acknowledge receipt of this letter and waive all rights to deemer on this filing, until midnight on October 10, 2011.  
September 7, 2011  
Dated \_\_\_\_\_, Frank B. Sewall Senior Counsel  
Signature and Title

